

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Annual Filing)
Requirements for 2012 Pertaining to the) Case No. 12-1115-TP-COI
Provisioning of High Cost Universal)
Service.)

FINDING AND ORDER

The Commission finds:

- (1) On May 7, 1997, the Federal Communications Commission (FCC) issued a Report and Order in CC Docket 96-45 (96-45) (*In the Matter of Federal-State Board on Universal Service*) adopting rules to promote universal service consistent with the requirements of the Telecommunications Act of 1996 (1996 Act). In its 96-45 decision, the FCC, among other things, set forth parameters for the states to determine those carriers eligible to receive federal universal service support. The states were further to determine those carriers that should be classified as rural carriers or non-rural carriers for the purpose of federal universal service support consistent with the Communications Act of 1934, as amended.
- (2) On May 23, 2001, the FCC released its Fourteenth Report and Order and Twenty-Second Order on Reconsideration in CC Docket No. 96-45, and determined that states should be responsible for deciding whether rural carriers are using their universal service high cost support consistent with 47 U.S.C. 254(e). Under 47 U.S.C. 254(e), carriers must use universal service support "only for the provision, maintenance, and upgrading of facilities and services for which the support is intended." Accordingly, the FCC stated that it would require the states that wish to receive federal universal service high cost funding support for rural carriers within their boundaries to file a certification with the FCC and the Universal Service Administrative Company (USAC) stating that all federal high cost funds flowing to those carriers in that state will be used in a manner consistent with 47 U.S.C. 254(e). Absent such certification, carriers will not receive such support. Moreover, in the event that a state determines that a carrier has not complied with 47 U.S.C. 254(e), the state shall have the authority to revoke a carrier's certification.

- (3) On November 18, 2011, the FCC released a Report and Order in WC Docket No. 10-90, *et al.*, which, among other things, comprehensively reformed the federal universal service support program. In its Report and Order, the FCC required states to certify that all federal high cost and Connect America Fund support was used in the preceding year and will be used in the coming calendar year for the provision, maintenance, and upgrading of facilities and service for which the support is intended, regardless of the rule under which that support is provided. The certification required by new section 54.314 of the FCC's rules (47 C.F.R. §54.314) is due by October 1 of each year, commencing on October 1, 2012, for carriers to be eligible to receive support in each quarter of the succeeding year.
- (4) In order to comply with the FCC's certification requirements, on August 15, 2012, the Commission released an entry in the instant docket calling for notarized affidavits from those carriers receiving federal universal service high cost funding and Connect America Fund support in Ohio, attesting that they will utilize such support consistent with 47 U.S.C. 254(e). All affected carriers were required to use a template affidavit form provided by the Commission (as Attachment A in the August 15, 2012 entry), and were directed to file such affidavits by August 31, 2012. Accordingly, properly filed affidavits were received from the following carriers:

Arcadia Telephone Company dba TDS Telecom
The Arthur Mutual Telephone Company
Ayersville Telephone Company
Bascom Mutual Telephone Company
Benton Ridge Telephone Company
Buckland Telephone Company
CenturyTel of Ohio, Inc. dba CenturyLink
Champaign Telephone Company
The Chillicothe Telephone Company
Columbus Grove Telephone Company dba
Fairpoint Communications
The Conneaut Telephone Company
Continental Telephone Company dba TDS Telecom
Doylestown Telephone Company
Farmers Mutual Telephone Company
Fort Jennings Telephone Company
Frontier North Inc.

Frontier Telecommunications of Michigan, Inc.
Germantown Independent Telephone Company dba
Fairpoint Communications
Glandorf Telephone Company, Inc.
Kalida Telephone Company, Inc.
Little Miami Communications Corporation dba TDS
Telecom
The McClure Telephone Company
Middle Point Home Telephone Company
Minford Telephone Company
New Knoxville Telephone Company
Nova Telephone Company
Oakwood Telephone Company dba TDS Telecom
Orwell Telephone Company dba Fairpoint
Communications
The Ottoville Mutual Telephone Company
Pattersonville Telephone Company
The Ridgeville Telephone Company
Sherwood Mutual Telephone Association, Inc.
Sycamore Telephone Company
Telephone Service Company
United Telephone Company of Ohio dba CenturyLink
The Vanlue Telephone Company dba TDS Telecom
Vaughnsville Telephone Company
Wabash Telephone Company
Windstream Ohio, Inc.
Windstream Western Reserve, Inc.

- (5) The Commission has reviewed the affidavits submitted by the aforementioned companies and has concluded that the affidavits satisfy the FCC's requirements for certification to receive high cost funding consistent with 47 U.S.C. 254(e). The Commission finds, therefore, that certification of the aforementioned carriers to receive federal high cost and Connect American Fund support should be granted.

It is, therefore,

ORDERED, That all carriers identified in finding (4) above are hereby certified to the FCC and USAC as being eligible to receive federal high cost and Connect America Fund support as such carriers have demonstrated their intent to utilize such funding in a manner consistent with 47 U.S.C. 254(e). It is, further,

ORDERED, That nothing contained in this finding and order shall be deemed binding upon this Commission in any subsequent investigation or proceeding involving the justness or reasonableness of any rate, charge, rule, or regulation. It is, further,

ORDERED, That a copy of this finding and order be served upon the Ohio Telecom Association, Frontier North Inc. and The Chillicothe Telephone Company.

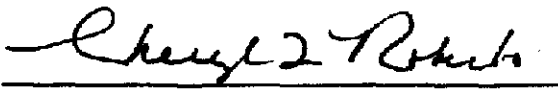
THE PUBLIC UTILITIES COMMISSION OF OHIO

Todd A. Snitchler, Chairman

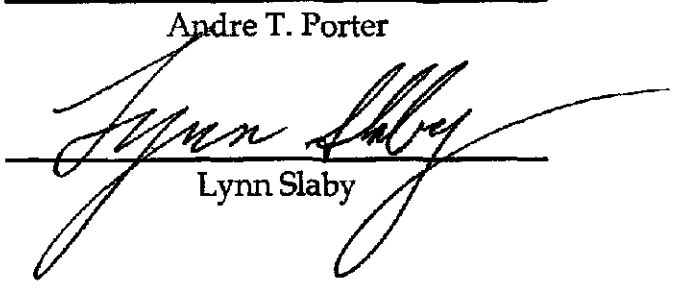


Steven D. Lesser

Andre T. Porter



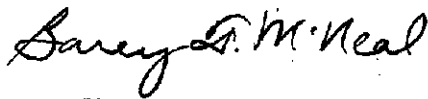
Cheryl L. Roberto



Lynn Slaby

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Barcy F. McNeal
Secretary